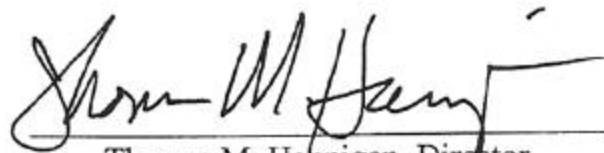
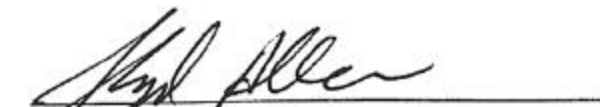
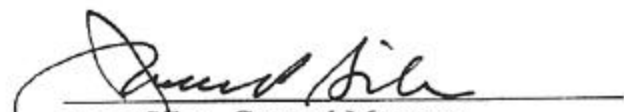



March 12, 2003


The negotiators for CVWD, IID, MWD, and SDCWA have worked closely with the State of California Administration and are prepared to move forward and recommend the QSA and related agreements to their agencies' Boards when the conditions precedent are all satisfied; the special surplus water provisions in the Interim Surplus Guidelines are reinstated; the overrun payback issue is resolved; the legal action of *IID v. U.S.* is appropriately settled and/or dismissed; the California Legislature has enacted the implementing legislation; and the QSA and related agreements are satisfactory to the Department of the Interior and the other Basin States.

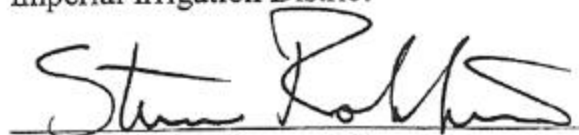

Thomas M. Hahnigan, Director
California Department of Water Resources



Lloyd Allen, President
Imperial Irrigation District



Jesse Silva, General Manager
Imperial Irrigation District

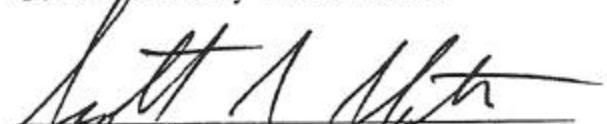

John Penn Carter, Chief Counsel
Imperial Irrigation District

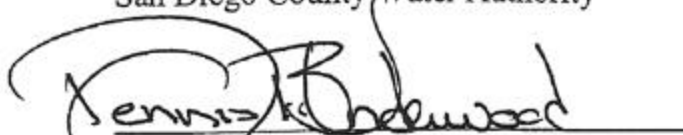

Tellis Codekas, Director
Coachella Valley Water District

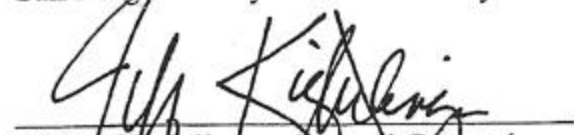

Steve Robbins, General Manager
Coachella Valley Water District


Thomas E. Levy
Coachella Valley Water District


Maureen Stapleton, General Manager
San Diego County Water Authority


Scott Slater, Special Counsel
San Diego County Water Authority


Dennis Underwood, Vice President
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